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ABSTRACT

This monograph describes and analyzes major federal and state student financial assistance programs. Chief among those reviewed are the Basic and Supplemental Educational Opportunity Grants, National Direct Student Loans, State Student Incentive Grants, the Guaranteed Student Loans, College Work Study, and the G.I. Bill. The paper explains how guidelines governing these programs function to effectively exclude working adults from gaining access to the public monies the programs provide, frequently in contravention of Congressional intent. The paper also presents a set of actions to make the programs work for the working adult. The paper is aimed at those in labor, business, government, and education who wish to give these programs the close examination they warrant, and at those concerned to see the education and training opportunity structure for adult Americans broadened in the 1980s. (KC)

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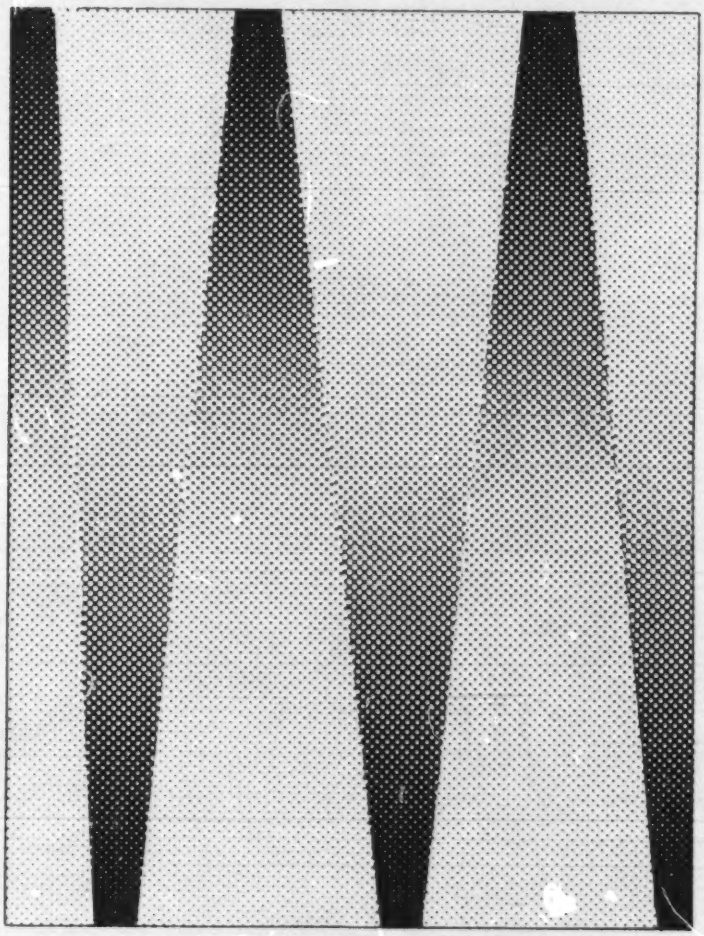

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Barriers To The Older Student: The Limits of Federal Financial Aid Benefits

Robert F. Sexton
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The authors of the policy research papers in this series are knowledgeable analysts both from within and without the National Institute for Work and Learning. Their charge was to explore one or more issue areas which the project identified as being of significant interest to public and private sector decision makers concerned with shaping worker education and training policy and practice for the coming decade. Authors were asked to synthesize the relevant research bearing on the issue areas, to assess the knowledge base with a view to discerning the points of public and private policy relevance, and to use their best independent professional judgements in offering recommendations for action.

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FOREWORD

Again, in this Congress, issues of equal treatment of adults in the administration of financial aid programs are in debate. While at this writing the outcome is unclear, change may well again fall victim to budget pressures. In any event, a fair number of differences between the way youth and adults are treated in these programs are most likely to remain on the agenda of unfinished business for the attention of future Congresses.

In the pages to follow Dr. Robert Sexton describes and analyzes major Federal and State financial assistance programs. Chief among those reviewed are the Basic and Supplemental Educational Opportunity Grants, National Direct Student Loans, State Student Incentive Grants, the Guaranteed Student Loans, College Work Study and the G. I. Bill. In his analysis, Dr. Sexton explains in concise and clear language how guidelines governing these programs function to effectively exclude working adults from gaining access to the public monies the programs provide, frequently in contravention of Congressional intent.

In doing so Dr. Sexton has performed an important service for those in labor, business, government and education earnestly concerned to give these programs the closer examination they warrant, yet readily dissuaded by the press of other events from doing so. The reader will find here, too, a clearly presented set of actions to make these programs work for the working adult. Those concerned to see the education and training opportunity structure for adult Americans broadened in the 1980's will see in these pages an important part of the blueprint.

Gregory B. Smith
Director
Worker Education and
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INTRODUCTION

Dramatic changes in the postsecondary student poplation over the last decade have not been matched by corresponding changes in federal financial aid policies. The college population is no longer composed of 18 to 22 year olds or the sons and daughters of the middle and upper middle class who attended college themselves. Instead, colleges and universities are filling up with older students and first-generation students. More of these than ever before are women with other responsibilities. Almost one-half of the students in all postsecondary education are now over 25 years of age. Approximately one-third of those attending two and four year institutions - community colleges, colleges, and universities - are part-time. These part-time students are predominantly older and female. More of these students are learning in educational programs which do not lead to a degree or certificate.

These older and part-time students do not, however, receive an equal share of federal and state financial aid benefits. In New York, for example, part-time students make up 30% of all undergraduates but received "less than 6% of the $529 million in federal student aid and only about 10% of $206 million in state aid..."[1]. Part-time students receive a tiny share of the federal financial aid dollar-about 3.8% among recipients of Supplemental grants (SEOG) and 9.8% of Basic grants (BEOG). "While the number of part-time, adult students now exceeds traditional full-time post-secondary enrollments, less than 15 percent of federal student aid funds is used by adult learners."[2]

Barriers to adults in federal and student financial aid programs and in the administration of Veterans educational benefits mean that many students who are most eager for postsecondary education may have the most difficulty paying for it. Despite the language of the Higher Education Act, that "American Society should have as a goal the availability of appropriate opportunities for lifelong learning for all its citizens without regard to restrictions of previous education...or economic circumstances," provisions of the same act substantially limit access to its programs and benefits to older learners.

This paper attempts to identify and explain barriers to non-traditional students, and to present, based on the existing literature, recommendations for modifications or new programs. The findings here are not necessarily new, but draw heavily upon the work of others. A number of studies will be useful to readers who want to examine the issues more thoroughly. Most notable is Robert Porga's "Financial Aid and the Adult Learner: Federal and New York Student Aid Programs," (for the New York State Department of Education) and Norman Kurland's collection of essays edited for the National Institute of Education, "NIE Papers in Education and Work: Entitlement Papers." Also important is the May, 1978, issue of School Review, "Financing the Learning Society," edited by Douglas M. Windham, Norman D. Kurland and Florence Hamlish Levinsohn. More detailed analysis of Veterans Administration benefits are contained in the study by William Shannon and Associates, commissioned by the Veterans Administration, "Recommendations for Legislative and Administrative Action Regarding Standard of Progress and 'Seat time' Provisions of the GI Bill."[3]

I. BARRIERS IN STUDENT FINANCIAL AID

Six major student financial aid programs are authorized under Title IV of the amended Higher Education Act of 1965: Basic Educational Opportunity Grants (BEOG); Supplemental Educational Opportunity Grants (SEOG); National Direct Student Loans (NDSL); State Student Incentive Grants (SSIG): Guaranteed Student Loans (GSL); and College Work-Study (CWS). Provisions in these programs exclude an estimated 860,000 to 949,000 adults from financial aid benefits, especially from basic grants.[4] The most important of these barriers are: (a) to be eligible, a student must attend at least one-half time, (b) awards are limited to undergraduate students, (c) the student must be enrolled in a degree or certificate program, (d) the adult must contribute more toward the cost of education than a younger student in the same economic circumstances, (e) the proration of benefit payments works against the part-time student, (f) the minimum grant allowable is $200, (g) four years is the maximum time for an award under BEOG or SEOG, (h) the adult student must learn about financial aid in an institutional setting organized for younger students, and (i) there is inadequate national data for policy making regarding older learners and financial aid.

a. Prohibitions Against Less-than-Half-Time Enrollment

In the general provisions of the higher education amendments, a student eligible for aid is defined as "one who attends an institution of higher education at least on a half-time basis...." All six student aid programs have the same basic standard of minimum eligibility: to receive aid, a student must be enrolled at least half-time. In addition, BEOG,SEOG, and

SSIG require that a student be enrolled at the undergraduate level, while the remaining programs are all open to graduate and professional students as well as undergraduates.

It is likely that at least half of all part-time students are excluded from student aid programs by this attendance requirement. Part-time students are the fastest growing population in postsecondary education. Between 1970-74 part-time enrollment increased 37%, full-time enrollment only 11%; 40% of women students are part-time.[5] Added to this figure are numbers of potential students who have not enrolled because they know they cannot receive financial aid. Wagner estimates that this provision excludes about 200,000 adults from BEOG eligiblility, and that 7,000-40,000 students would enter college if the restriction were eased.[6] The examplary less-than-half-time student is probably a woman in her late twenties with children to support. Juggling a part-time job, household responsibilities and one or two courses may be all that can be reasonably expected, but if she needs financial aid, she must do more.

Many students often have valid reasons for enrolling in school on a less-than-half-time basis. They should not be penalized financially for this choice if they are in financial need. Toward that end the half-time enrollment requirement should be eliminated and students that are not enrolled half-time should be able to participate in student aid programs. Only the student's need, not the number of courses he or she is taking, would be the criteria for deciding whether assistance is necessary. Wagner estimates that modification would cost $60 million to $70 million.[7]

b. Undergraduate Study Only

The limitations of BEOG, SEOG, and SSIG to undergraduate students similarly discriminates against many older, part-time students, especially those who are

likely to be making use of non-traditional programs. Changing job and market conditions, technological obsolesence and the return of women to the market place make the need for education beyond the undergraduate level important. If a major purpose of student aid programs is to enable learners to be productive in the labor market, then older students returning to obtain needed education and training should have the same opportunity. The 3 programs that place restrictions on aid beyond the undergraduate level should eliminate these restraints.

c. Restriction to Degree or Certificate Programs

Program eligibility is a generally restrictive condition. Student aid statutes contain limits and standards which determine what kind of program the student must enroll in to receive aid. An eligible program is "a program of training at an institution of higher learning which (1) leads to a degree or certification, (2) is of at least six months duration, and (3) admits as regular students only those persons having (the equivalent of a high school degree)." In 1975 there were an estimated 18 million adult learners in the United States. Only about 3 million of these (17.5%) were enrolled in eligible "degree or certificate" programs. Over 60% of these adults, or 10.7 million, were engaged in non-credit programs sponsored by employers, unions, and other community-based or "non-educational" institutions.[8]

Students who may want or need programs which are more concentrated (less than six months) may find their choices precluded by the lack of access to financial assistance. Refresher programs, weekend colleges, brokering or counseling services, experiential learning and others may be unavailable to students as a result of these regulations. As a result, while many learners need a specific educational experience but not always

formal academic training or a degree, the present regulations restrict this choice.

The massive numbers of adults engaged in "non-degree" programs presents a difficult policy issue. Current financial aid programs deliver assistance through postsecondary educational institutions. If we expand our definition of "postsecondary institution" and deliver benefits to an employer, union, or community-based institution, a complex set of new issues is raised and a major rethinking of the federal role in education policy is required.

d. Unequal Student Contributions

The closest thing to an educational entitlement enacted by the United States Congress is BEOG, the cornerstone of the federal financial aid effort. Because it is a "universal" entitlement, BEOG provisions which exclude or discriminate against part-time or older students are major impediments to equal access to postsecondary education. (Veterans benefits are another entitlement program and are discussed later in this paper. Social Security postsecondary benefits are available only to learners under age 22 and are designed as dependency allowances, not student financial aid. These are not explored in this paper).

The BEOG program's basic philosophy toward the independent (usually meaning older) student is that he or she should contribute a far greater portion of their incomes and assets toward the cost of their education than families of dependent or younger students. There may be some justification for requiring a larger contribution from the single independent student, since all "disposable income" and assets could conceivably be thought of as "discretionary," or available for the use of the individual, but applying this doctrine to independent students with children or other dependents of their own clearly discriminates against the adult learner.[9]

The basic problem is in the "need analysis" formula used for calculating a BEOG award. Even when income and assets are equal, the dependent (or often younger) student can demonstrate more financial need than the financially independent adult. The BEOG formula and the "uniform methodology" (the system used by the private financial need analysis agencies and most state agencies to calculate financial need for federal programs) underestimate allowable expenses and overestimate the available resources the adult learner has compared to the "normal" or "ordinary" student. As a result the adult is expected to use family income for education -- income which would otherwise be used for necessities -- while the dependent or younger student's spending for necessities and education are seen as one and the same.[10] The formula also assumes that the married woman, who may have no income of her own, is "independent," and that her husband will support the cost of education - an assumption which does not always hold true. The actual expenses of the adult learner should not differ from those of the traditional 18 to 22 year old dependent learner. At issue in the need analysis formula is which portion of these expenses is related to education and which can be used for figuring financial aid.

When family income, size, and net worth are caculated, along with expected family expenditures for food, clothing, and other living costs, the needs of the dependent and independent student come out differently. As Wagner reports,

> For families with dependent students, the calculations require 5 percent of the parents' net worth in excess of a $12,500 reserve and one-third of the student's net assets. The independent student must provide one-third of total net worth...one father has complained to BEOG that, while his three financially dependent daughters are eligible for Basic Grants, his wife, classified as an independent student, is not...Over the $9,000 - $15,000 income range, the expected contributions of comparable size

averaged $1,200 for dependent and $3,300 for independent applicants.[11]

As opposed to BEOG, the Middle Income Student Assistance Act has dealt with the inequity in the assessment of assets of independent students, but it has widened the gap in the assessment of income between independent and dependent students. Dependent students are now expected to contribute 10.5% of available income-a substantial liberalization. But the treatment of independent student income has remained unchanged. Instead of 10.5% if married, with no dependent, student is expected to contribute: 75% of available income if single; 50% if married, with no dependents other than spouse; or 40% if there are dependents other than spouse.[12]

BEOG and MISAA provisions for calculating need continue the bias that the adult student's need or desire for postsecondary education is less serious, or more self-serving, or without the same social value, as that of the traditional college student. They ignore the fact that an adult may have to make far greater sacrifices to attend school and effectively exclude adult students from BEOG benefits for which a dependent student would be eligible. The appropriate modification would be to amend BEOG so that independent students benefit from the same "assessment" rate as the parents of traditional students. According to Wagner, if independent student contributions were halved, BEOG awards for 121,000 current BEOG recipients would increase and 164,000 current part-time students would be eligible for an award.[13]

e. "Proration" of Awards

A student who is attending less than full-time has his or her BEOG award "reduced in proportion to the degree the student is not so attending on a full-time basis." Rather than a direct proration of the award based on the exact number of hours the student is taking (and paying for), the Office of Education

has established categories with specific standards for "full" (12 hours), "three-quarters time" (9 hours), or "half-time" (6 hours) enrollment. A student enrolling for more credit hours than the lower level but less than the next higher category has his or her award calculated on the lower category. This is to the distinct disadvantage of the part-time student who is paying tuition for all of the hours. For example, a student enrolled for 8 hours receives the same award as one enrolled for 6 hours, since 6 is the standard for half-time and 9 is required for three-quarters. Alan Wagner estimates that 88,000 current, part-time BEOG recipients are affected and these students are currently losing $6-$7 million in benefits.[14]

This difficulty can be eliminated by specifically requiring "direct proportion, "as was the original intent of Congress, instead of "proportion," in the legislative language.[15]

f. $200 Minimum Award

Part-time students are further discriminated against by the BEOG provision that sets the minimum award for any academic year at $200. The $200 minimum award denies the part-time student (who qualifies for an award and for whom an amount of $200 or less might make the difference between continuing his or her studies or not) access to a grant to which he or she is entitled. To receive an award of less than $200, the student must prove "exceptional circumstances," something the student receiving a grant of more than $200 is not required to do.

The $200 limitation shoud be eliminated. It may deter thousands from attendance; it now effects 25% of eligible students and excludes 88,000 students from the program. Financial aid officers and the Office of Education may argue that the limitation protects against excessive paper work, but determining eligibility is the most burdensome responsibility and must be

undertaken anyway. Once it is determined that the student has financial need, making the award is all that remains; preparing a check for $150 is no more burdensome than preparing a check for $1,500. (The same provision is contained in the SEOG provisions and it likewise should be eliminated.)

g. Unreasonable Time Limitations

BEOG further limits the accessibility of part-time students through the time limitations placed on the use of the awards. Although the part-time student must take more time to achieve his or her educational objective, especially if in a degree program, a full-time schedule was assumed in setting the period during which a student may receive BEOG (and SEOG). With a few special exceptions, a student has only four years of eligibility in both these programs. The discriminatory aspects of this provision are substantial. While a student enrolled in a two year associate degree program may take four years to complete his or her studies and receive grant support throughout, another student in a bachelor's degree program loses his or her eligibility after four years of support. While the legislative intent may have been to provide a limited entitlement, the effect is discrimination against the part-time student even though the net cost over a longer period of time may not be significantly different. A "satisfactory progress" requirement should be substituted for the four year limitation.

h. The Need for Improved Financial Aid Counseling

The 1976 version of the Higher Education Amendments added new provisions to the previous Student Consumer Information Act. It required institutions to provide both prospective students and those already enrolled with specific information regarding financial assistance and institutional programs. This is a large step forward in providing learners with better information, and therefore better opportunities, for making informed choices about available resources. But

in practice, the institutional response has not been evenhanded with all students. In far too many cases information is directed only to the traditional student, with scant attention paid to prospective part-time or non-traditional students.

Adequate consumer information is vital, but it is not a substitute for good financial aid counseling. Negotiating a difficult administrative path to financial aid is often the first, and too often the last, encounter a prospective part-time student may have with an educational institution. Most financial aid officers have been trained either directly or by their experience to deal with the needs and problems of traditional learners. Despite their personal concerns, financial aid officers may need training to respond to the needs of part-time or adult learners. It is therefore desirable to train financial aid administrators so that they may provide assistance to part-time, adult, and other non-traditional learners.

i. Inadequate Data

Looking at financial aid for the older student is difficult because we do not have adequate information about adult recipients of financial aid. Presently, institutions are not required to report the ages of recipients or applicants. We do not know, by age, sex or race, how many applicants for aid were rejected or in what type or program eligible students are enrolled. The Office of Education should gather data which analyzes the applicants (and the aid awarded them), by age, sex, race, national origin, and type of program. This change in institutional reporting practices will provide the information necessary to ascertain that the needs of all are being met by federal assistance programs.

II. THE SPECIAL NEEDS OF OLDER WOMEN

Women are most likely to be part-time students and more often than not

over 35 years old when they attend school. They are also more likely to need financial aid. In a 1974 study, it was determined that 72.4% of all part-time students had a family income of below $15,000, as opposed to 62.2% of full-time students.[16] Because women are the largest portion of the part-time population, the assumption in financial aid regulations that students are young and attending school full-time affects women directly.

The returning or older woman is considered an independent student for purposes of determining financial need and, therefore, the contribution the student is expected to make from family income (as described above) is higher than parents make for their own children. Parents may also "exclude the first $12,500 of their assets from their calculation of expected contribution from assets, while the independent student may not".[17] Many women students have the added financial burden of child care, and despite research showing that women frequently drop out of school because of the inability to pay for both child care and school expenses, financial aid regulations do not allow this as a legitimate expense.

The most thorough study of the subject recommends several specific changes, some similar to those recommended for all students. There is a need for special provisions for older women with children; they need aid for child care expenses, and need good financial aid information since they may not be able to participate in the normal information channels.[18]

III. VETERANS ADMINISTRATION BENEFITS

Since 1944 over 14 million veterans have received educational benefits under three different G.I. Bills. In 1977, an estimated 1.75 million veterans and the widows and children of veterans who died in active service received $3.5 billion in educational and training benefits from the Veterans adminis-

tration. Veterans attending college in 1977 represented 12% of all college students.[19] The Congressional Budget Office estimates that about one-third of the veterans who enrolled would not have done so without the G.I. Bill and as a result total postsecondary enrollments were increased by "about 3%." Tuition and fees from the increased enrollment will account for about "one percent of the tuition received by colleges and universities in 1978-79".[20] Under the new "Post Vietnam Era Veterans Educational Assistance Program" those entering the service since 1976 can set aside $50 to $75 to pay for education in the future.

Benefits (up to $311 per month for a single veteran) have been available for a wide variety of programs, full-time and part-time, with much more flexibility than other federal student financial aid programs. Students attending three-quarters time (9 credits or more) or one-half time (6 credits or more) have their awards prorated. As opposed to BEOG, Veterans attending less than one-half-time can receive assistance; the V.A. will pay for "tuition and fees but only up to 50% of full benefits".[21] Veterans have used these part-time benefits substantially; of veterans enrolled as undergraduate students as of April, 1979, 44.4% were part-time. (Similar figures for less-than-half-time veteran students are not available.)

It is important to note, however, that Veterans' education and training benefits will decrease substantially as a source of aid for adult learners in the future. The total pool of support will continue to drop with the number of eligible veterans reaching the end of the ten year period in which they can use their benefits and as the post-Vietnam G.I. Bill gradually effects more veterans. The President's Budget for 1980 predicts that the number of eligible veterans will drop by 200,000 in 1980; funding will drop by $500 million in 1980 and by $600 million more in 1982. College attendance "induced" or encouraged by

Veteran benefits as a portion of total college enrollment will decrease from 347,000 (or 3% of the total) in 1978 to 134,000 (or 1% of the total) in 1983. The Congressional Budget Office reports that benefits spent on tuition and fees will drop from $.54 billion in 1978 to $.31 billion in 1983.[22] The Veterans Administration predicts "the loss of revenue...will impose serious financial problems on many schools, and generally, a narrowing of educational opportunities available to all potential students."[23]

The precise impact of this decline is difficult to predict, but at a time when adults want more education (perhaps even later in life than the current ten year "delimitation" period allowed by the VA) other aid programs may have to pick up where veterans benefits fall short. The Carnegie Council on Policy Studies in Higher Education (1975) recommends that the federal funds made available by this decrease in expenditures be "accompanied by an increase in expenditures on other student aid programs."[24] To be effective, this increase would have to be accompanied by provisions making existing financial aid benefits more available to adults.

Another approach would be to eliminate the ten-year delimitation period to accommodate veterans who want to continue their educations throughout their lives. The Congressional Budget Office, however, argues against this approach and says that it "...runs counter to the basic purpose of the G.I. Bill, to provide readjustment assistance. Few would consider education 20 years after someone is discharged consistent with readjustment needs. ...continuing education and income security are not among the purposes of the G.I. Bill as stated by Congress."[25]

Despite the G.I. Bill's importance as the nation's largest financial aid program, the Veterans Administration has not shown a great deal of interest in higher education itself. "That it disburses billions of dollars in

education benefits is seemingly a matter of marginal interest to the agency: the discussion of that huge undertaking took up 3 out of 122 pages in the administrators 1974 annual report."[26] More recently, however, the V.A. has been forced to pay more attention to the higher education community. Protests and law suits have resulted from increased efforts by the agency to tighten the program and end abuses. "But it is important to note," states Chester A. Finn, "that the main source of those controversies is the continuing insensitivity of the Veterans Administration and the committees that draft its legislation to the traditions and desires of education institutions."[27]

For some veterans and institutions, however, there are real and specific problems. As educational practices have accommodated older or non-traditional learners through weekend colleges, experiential learning, contract and modular learning, independent study and external degrees, Congress and the Veterans Administration have acted conservatively regarding veterans' education benefits. In 1975 Congress and the Veterans' administration concluded that a large number of veterans were receiving benefits without attending classes, and that some schools were not enforcing their published standards of progress. It seemed to congressional policy makers that it was relatively easy for a veteran to obtain educational benefits even though he or she was not a "true" student.

As a result, in 1976 Public Law 94-502 amended the existing law regarding unsatisfactory progress. It determined that "progress will be considered unsatisfactory at any time the veteran is not progressing at a rate that will permit such veteran to graduate within the approved length of the course based on the training time as certified to the VA." Full veterans' benefits are awarded for full-time enrollment only, and rather than certify enrollment on the basis of the credit hours taken, it was decided that time in the classroom should be

used to decide the student's status. This decision required institutions to report class attendance, a long-abandoned practice. The VA's interpretation of training time as classroom hours, or "seat time," created a major disagreement between the higher education establishment and the Veterans Administration.

This "seat time" requirement is an inconvenience (some say infringement) for traditional institutions; taking attendance is a long abandoned practice. It also challenges educator's judgment that classroom contact is not always the best indication of what a student learns. However, for innovative programs serving non-traditional and older students and often using variations of one-class-hour for one-hour-of-credit per semester, the seat time regulation poses major problems. For example, independent study is different from traditional classroom contact and cannot be measured by classroom attendance. In addition, a number of institutions have created various forms of educational work experience opportunities, such as internships, cooperative education, and practicums, which cannot be measured in "seat time." The executive commissioner of the University of the State of New York maintains,

> The Veterans Administration insists that the only possible measure of learning is the assessment of the number of hours students spend in the classroom. As the American educational system broadens its clientele (half of which are now over 21), it has shifted to more advanced and innovative modes of study. There are excellent examples of high-quality productive use of innovative methods. Quality education, meeting the needs of various segments of our society, necessarily results from a variety of approaches [28] (p. 53).

A greater difficulty comes for weekend colleges, designed expressly to help the person who has other commitments during the week concentrate their studies in longer class sessions over a two or three day weekend. These courses may also be concentrated into a two, three or four week period after which the student moves ahead to another course. Since the law requires that the

veteran not be paid for any period when he or she is not pursuing educational objectives, and the weekend college may require attendance in a particular course for only a few weeks, the VA's position is that benefits should be paid only for the two week period.[29]

Behind the tightening of Veterans regulations is a growing feeling in Congress that veterans are inclined to abuse the system and a general decline in respect for postsecondary education. Congressional panels think there is something basically wrong with veterans receiving benefit income while working full time and attending school. A major report conducted for the Veterans Administration, however, states that these concerns

> ...are unrealistic when viewed in the light of present day economic, vocational and educational pressures. Many citizens in society including veterans of World War II and Korea have extended themselves to both work and go to school full time to provide for their families and their futures. Why, it is asked, should serious questions be raised about giving GI benefits to today's veteran - student - worker if he or she is obliged to or wishes to work full time, <u>especially when the educational community has taken steps to make education more flexible and readily accessible to all working students</u>. (Emphasis added.)[30]

As a result veterans may be discouraged if not excluded from programs which are non-traditional or innovative. The regulations also discourage institutions with large veteran populations from making their programs flexible enough for learners with work and family obligations. The director of the Washington State Commission on Higher Education reported, "Schools that serve (or wish to serve) veterans are incapable of being new and innovative for fear of injuring the veterans right to benefits. Programs are being modified to remove from the veteran's choice those educational segments available to other students (independent study, work experience, etc.)."[31] The registrar at the University of Wisconsin stated his concern on this matter:

> It is of no particular merit to require students to "warm a seat" for a prescribed number of minutes during a semester. Students may learn much of their material by home study, by reflection, by library work, by writing papers, etc. ...in summer sessions or modular course sessions, as well as research oriented courses in general, a course may be intensified and enhanced with additional course requirements, but may not require as many in-class hours as a regular semester.[32]

External degree programs, which combine credit for previous work or non-classroom activities with independent study, internships, and contractual arrangements, have special difficulty with V.A. regulations. California State University at Dominguez Hills commented,

> Provision for non-standard programs such as the External Degree in Humanities need to be made. While the courses do not meet contact hour requirements, they certainly are legitimate courses and need to be recognized as such. The veteran student is being financially penalized by narrow interpretation by the Veterans Administration.[33]

If the needs of veterans are to be met, Congress and the Veterans' Administration must abandon their adversarial relationship with the higher education community and with veterans. Congress should return to the original intent of the law and "...reestablish both the tone and conditions that will encourage the veteran to pursue futher education in order to benefit personally and contribute to the national well being."[34]

The Veterans Administration education advisory panel in its recently released report has recommended that the V.A. approve full benefits for non-traditional courses on the basis of the "equivalency of the level-of-effort required from the veteran compared to standard courses."[35] This modification would encourage more flexible scheduling, and discrimination against non-traditional programs adversely affected by current "seat-time" requirements.

The Veterans Administration should also rely more heavily on the expertise and judgment of state agencies in approving educational pro-

grams, put more emphasis on compliance surveys, and look at credit hours taken rather than the modes through which a credit is delivered. According to Charles Saunders of the American Council on Education:

> Opening the process to expert, professional judgment from higher education will produce educationally valid and cost effective decisions on course approvals, and at the same time forestall the tendency toward further federal intrusion into education for the alleged purpose of preventing abuse of benefits.[36]

The Veterans Administration should re-examine its position that graduation will normally take place in two or four years, depending on the program; that students should not be working while they are trying to obtain their educations; and that veterans should not be given the same flexibility as regular undergraduate students in undertaking career exploration or generally useful courses rather than those aming toward a specific vocational objective. Any "seat time" provision that restricts veterans to traditional programs which may not, in all cases, meet their educational needs, should be eliminated.

IV. FUTURE DIRECTIONS AND SOLUTIONS

Adult, often part-time, students do not receive a share of federal financial aid adequate to meet their needs for education. Federal financial aid programs requiring at least half-time attendance, a standard of financial need more stringent than that for regular students, the $200 minimum award, restrictive time limitations, and others all work to exclude adults. And, despite its relative fairness to part-time students, the Veterans Administration continues policies which work against participation by working veterans in more innovative and flexible programs.

Compared to some other proposals for reform, the changes outlined here offer a large return at a modest cost. Alan Wagner has persuasively

argued that the cost of the above proposals would be approximately $250 million to $280 million; they would benefit 750,000 new recipients and 164,000 current recipients of federal aid.[37]

There are alternatives to the modifications in regulations and legislation suggested above. Widening interest in so-called educational "entitlements" suggests one alternative.

Numerous entitlement plans have been proposed and the arguments for them are complex. Each proposal has its own rationale, implications, and cost-figures, so summaries run the risk of oversimplifying. The most comprehensive collection of these proposals are found in Norman Kurland's "Entitlement Studies" and School Review. Kurland has offered perhaps the most succinct summary:

> In recent years there has been a growing interest in granting funds directly to students as an alternative way to flow funds for educational purposes. In this approach certain individuals (veterans, disadvantaged, low-income) obtain a right to a specified amount of education expressed either in terms of time (x years of free public education); dollars ($1,500 per year; one-half tuition) or outcomes; (completion of high school, receipt of a degree). Because a right is involved, such approaches are usually referred to as 'entitlements.'[38]

The idea of entitlements is not new. The GI Bill, Social Security, and a number of similar institutional and private sector activities are well established in American life. Retirement plans, pension plans, health and vacation plans are forms of entitlements with benefits tied to employees' contributions. Unemployment benefits, welfare provisions, food stamps, aid to dependent children and others are entitlements. We also have a full entitlement program for education through the 12th grade for all citizens.[39]

The educational entitlement has implications going beyond assistance to the individual learner. The argument for support of "lifelong learning"

is based on the premise that all citizens from birth have the right to assistance in virtually whatever educational activity they want to pursue. Specific groups in the population might also need supplemental grants to compensate them for existing or historical disadvantages. "...the entire system of formal schooling would be transformed into a free, though non-profit, market system, though any given locale could decide to require its citizens to pay their grants for the first ten or twelve years into the present school system." While such a broad approach might create a competitive educational market place it could, according to Kurland, "overcome the objections of many critics of education on both the right and left who object to standarized curricula, too little free choice, not enough pluralism, and so on." Taken to their extreme, entitlements could reform the entire American education system. [40]

The idea of "funding people" to create a free market environment within postsecondary educaton carries with it a number of thorny political and economic implications. It would be expensive-perhaps more so than current or existing financial aid programs. It could confuse the market because individuals would carry their financial aid resources with them.

But the condition which will most influence the future success or failure of the entitlement as a national policy will be the social, economic, and political environment in which decisions are made. As John C. Honey has argued:

> ...the biggest factors in determining whether there will be substantial progress toward achieving a national system of entitlements for lifelong learning lie well beyond immediate matters of political strategy, or technical consideration. Whether the international situation permits a diminution of military outlays; whether the domestic economy can be brought through the transition to an essentially non-military basis of operations without great turmoil; whether we move expeditiously to alleviate poverty at home and to share in its

> relief abroad, and whether we take those other pressing measures to create a healthier, better-housed, more fully employed citizenry - are all contingencies which would appear to have a bearing on our becoming a society with ample lifelong learning opportunities.[41]

An alternative to a massive national entitlement program would be a more modest project. A federally subsidized system of local entitlement programs would assist adult learners, test the program for wide-scale use, and encourage local creativity and initiative. Local commissions might oversee the program. These commissions should be broadly representative of the community: community based and ethnic organizations, labor, CETA prime sponsors, local education agencies, postsecondary institutions and learners. Under the general oversight of the commission local standards and costs would be established, eligible types of learning determined (as broadly as possible) and individuals provided with their entitlements. Potential conflicts with existing federal financial aid programs would be negotiated with U.S. Department of Education. If a person left the locality of the experiment, they would lose their entitlement. If grants were made to communities on a competitive basis, the communities could use their entitlement programs as a local attraction to lure employers, as simply as an improvement in the local quality of life.

SUMMARY

The nation does not yet have the means of assisting all individuals who have financial need in obtaining a postsecondary education. There are at least two choices. One choice is to modify existing financial aid programs and continue to modernize Veterans benefits procedures to make them more equitable. The second choice is to encourage a system of "entitlements" or a similar approach which would substantially change the system. The latter would gradually put control in the hands of the consumers of education.

Recently progress has been made in existing conditions. In its action on the Higher Education Amendments of 1980 the U.S. House of Representatives' Subcommittee on Postsecondary Education adopted modifications in the Supplemental Educational Opportunity Grants and State Student Incentive Grants which would open these programs to students attending on a less-than-half-time basis. While this is clearly the least expensive modification, it is a step in the direction of recognizing that a vast number of Americans are not able, or do not choose, to pursue postsecondary education in the same manner as the students of 10 or 20 years ago.

But changes in student financial aid, either piecemeal or whole, depend on larger political factors. One of these is the potential of older learners themselves as an organized force of consumers. If demographic trends continue as expected, and if these older consumers make their needs known, a more responsive financial aid system is more likely. On the other hand,

scarce resources caused by recession or by tight-fisted taxpayers will be a counterbalancing trend. Which direction we take is not predictable. What is predictable is that the needs of non-traditional learners for financial assistance will continue.

FOOTNOTES

1. Robert Purga, "Financial Aid and the Adult Learner: Federal and New York State Student Aid Programs," unpublished paper prepared for the State Education Department, Albany, New York, January 24, 1979.

2. Alan P. Wagner, "Financing Postsecondary Learning Opportunities through Existing Federal Student Aid Programs," School Review 86 (May 1978): 410-435.

3. Norman D. Kurland, ed., Entitlement Studies: NIE Papers in Education and Work (Washington, DC: NIE, 1977); William G. Shannon and Associates, "Recommendations for Legislative and Administrative Action Regarding Standards of Progress and 'Seat Time' Provision of the GI Bill," unpublished paper available from William V. Shannon and Associates, 10204 Summit Avenue, Kensington, Maryland, 20795 (May 12-July 30, 1978).

   The author is especially indebted to the publications and ideas of Norman D. Kurland of the New York State Education Department.

4. Wagner, p. 415.

5. Carnegie Council on Policy Studies in Higher Education, The Federal Role in Postsecondary Education: Unfinished Business (San Francisco: Jossey-Bass Publishers, 1975), p. 48.

6. Wagner, p. 418.

7. Wagner, p. 418.

8. Wagner, p. 417.

9. Coalition for Alternatives in Postsecondary Education, "Recommendations for Revisions in the Student Financial Aid Programs Under Title IV of the Higher Education Act of 1965," testimony presented to the U.S. House of Representatives Subcommittee on Postsecondary Education, 1979.

10. Purga, p. 12.

11. Wagner, p. 419.

12. Coalition for Alternatives in Postsecondary Education, p. 6.

13. Wagner, pp. 419-420.

14. Wagner, p. 421.

15. Coalition for Alternatives in Postsecondary Education, p. 7.

16. Joann M. Steiger and Barbara Kimball, "Financial Aid for Lifelong Learning: The Special Case of Women," School Review 86 (May 1978): p. 402.

17. Steiger and Kimball, p. 404.

18. Steiger and Kimball, pp. 406-407.

19. Congressional Budget Office, Veterans Educational Benefits: Issues Concerning The GI Bill (Washington, DC: U.S. Government Printing Office, 1978), p. 5.

20. Congressional Budget Office, pp. xii-xiii.

21. George Arnstein, "Under What Conditions Does the Veterans Administration Pay Educational Benefits? - An Overview," unpublished memorandum distributed by the author for the Veterans Administration (April 3, 1979), p. 2.

22. Congressional Budget Office, pp. 18-19.

23. Education & Rehabilitative Service, Department of Veterans Benefits, "The Impact of Termination of the GI Bill on National Education Levels and on Educational Institutions," mimeographed paper (March 1978), pp. 8-9.

24. Carnegie, p. 13.

25. Congressional Budget Office, p. 49.

26. Chester E. Finn, Jr., Scholars, Dollars and Bureaucrats (Washington, D.C.: The Brookings Institution, 1978), p. 177.

27. Finn, p. 178.

28. Quoted in Shannon, p. 53.

29. Shannon, p. 25.

30. Shannon, p. 31.

31. Quoted in Shannon, p. 48.

32. Quoted in Shannon, p. 32.

33. Quoted in Shannon, p. 53.

34. Shannon, p. 34.

35. Higher Education Daily, November 30, 1979. These suggestions, if enacted, may lay this issue to rest. There is still, however, debate over whether the VA actually requires contact hours in class. George Arnstein in a memorandum (cited above) for the Veterans Administration states: "There is no insistence on attendance. The VA does insist that colleges observe their own policies as to attendance, grading, and standards of progress."

36. Quoted in Higher Education Daily, November 30, 1979.

37. Wagner, p. 424.

38. Kurland, p. v.

39. John C. Honey, "The Politics of Entitlement," in Kurland, Entitlement Studies, p. 186

40. Douglas M. Windham, Norman D. Kurland and Florence Hamlish Levinsohn, "Introduction," School Review 86 (May 1978): 307.

41. Honey, p. 202.

The National Institute for Work and Learning (formerly the National Manpower Institute) is a private, not-for-profit, policy research and demonstration organization established in Washington, D.C. in 1971. NIWL is concerned with encouraging public and private sector policies and practices that contribute to the "fullest and best use of the life experience"; with eliminating artificial time-traps which segment life into youth for schooling, adulthood for working, and the rest of life for obsolescence; and with a more rational integration of education, employment and training, and economic policy.

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Nevzer Stacey, Program Officer at the National Institute of Education in the Program on Educational Policy and Organization serves as the Project Officer for the Worker Education and Training Policies Project.